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William Hertz, Vice President Mann Theatres

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Jeffrey Rouze
El Capitan/CUNA
Mutual Life

Sami Shabshab Mar-Gulf Management

Ed Zorehkey
Frederick's of
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Executive Director



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April 29, 1999

TO:

Mike Vitkievicz, Manager Special Assessments Unit Office of the City Clerk

FROM:

Kerry Morrison
Executive Director

Hollywood Entertainment District

SUBJECT:

First Quarter

January 1 through March 31, 1999

As is required in our Agreement with the city of Los Angeles, I am submitting our First Quarter Report to summarize key activities of the Hollywood Entertainment District. This report covers both BIDs — Phase I and Phase II. The activities will generally refer to the entire District, unless activities specific to one of the Phases are important to highlight. The first quarter was focussed upon launching new services to the Phase II BID area.

I. Operational Issues

- A property owner in the Phase II BID filed a lawsuit against the city of Los Angeles and the Hollywood Entertainment District asking for declaratory and injunctive relief given his assertion that the non-profit organization that manages the BID should be subject to the Brown Act. A response is due in mid-April and a hearing will likely be scheduled for May.
- Documentation was submitted to the L.A. City Clerk's office requesting \$14,831.55 reimbursement for direct and staff-related expenses emanating from the Phase I BID to assist the Phase II Steering Committee in 1998. The funds will come from HUD Earthquake Recovery funds.
- A contract was signed between the Hollywood Entertainment District Property Owners Association and the City Clerk of Los Angeles to manage the affairs of the HED Phase II BID.
- The Phase II Advisory Board held a meeting on January 27, 1999 to

address several assessment adjustments. [Note: the meeting minutes were forwarded to the City Clerk's office.]

- MBIA MuniFinancial was retained to develop a database of property owners and their assessment information that could be easily updated with change of ownership information each quarter. This database will become the master database in the BID, and will be expanded by HED staff to include additional information such as phone/fax numbers of key contacts and tenant information.
- The Executive Director began to work on seeking a comprehensive insurance package quote to ensure that the BID is protected once it commences streetscape-related projects in the public right-of-way. A decision on enhanced insurance will be made in May.
- The Board removed one director from his seat, based upon his attendance record. A subcommittee was formed to recommend a replacement to fill the remainder of the term and this will be discussed at the May meeting.

II. Security

- Discussions continued with the CRA relative to the prospect of the HED assuming responsibility for security patrol along the MTA transit corridor (LaBrea to Western). Funds would come from the Hollywood Construction Impact Program (HCIP). A contact amendment between HED and CRA cannot be executed until the CRA and MTA complete an amended Memorandum of Understanding. During this quarter, the MTA and CRA never reached agreement; therefore, no HCIP-funded security services commenced.
- Burke Security commenced patrols in the Phase II area on February 2, 1999. Initially, the deployment schedule was heavy. Four officers patrolled the new area 10 hours a day on weekdays, and 12 hours a day on weekends. During this period, 379 arrests were made in the entire HED; 117 in Phase I and 262 in Phase II.

III. Maintenance

 The Streetscape Committee sent a Request for Proposal to 10 maintenance firms in February. Six proposals were received, and four companies were interviewed by a subcommittee in February. A final decision will be made by the Board at the April meeting.

 The HED convened a meeting between property owners on Ivar and Selma, representatives from the Hollywood Farmer's Market, Councilmember Jackie Goldberg's office and the Hollywood Beautification Team in order to work out some solutions relative to cleaning the streets before and after the Sunday Farmer's Market.

IV. Streetscape Issues

- The MTA removed 19 Ficus Trees in February in the Hollywood/Highland station area. In preparation for tree planting, HED sought three competitive bids to plant 23 Mexican Fan Palms in their place.
- The HED and the MTA Public Affairs section have worked out an arrangement whereby the MTA would contract with a tree vendor to replace 23 Mexican Fan Palms in and around the Hollywood/Highland station area. The HED will help pay the costs, using its HCIP grant money. In preparation for this, the Board asked the executive director to seek bids on expanded and more comprehensive insurance coverage to cover tree planting and other streetscape-related activities.
- The Board authorized spending \$75,000 from the Phase II HCIP Streetscape grant to help fund the completion of the Hollywood Chamber of Commerce historic sign program. The funds will be released to the Chamber once the HCIP grant is received.
- The Board authorized sending letters in support of two grant requests for the MTA Call for Projects. The first is for the "Hollywood Pedestrian/Transit Crossroads" grant request which seeks \$5.2 million to plant trees along Hollywood Boulevard and certain side streets. The second is for the "Hollywood Cross Streets," a \$500,000 request which seeks to plant trees along Highland (between Franklin and Sunset), Vine (between freeway and Sunset), LaBrea (between Hollywood and Hawthorn, east side), Cahuenga (if funds available) and Western. For the second request, the Board authorized committing \$70,000 in matching funds toward the grant request.
- A letter was written to the Bureau of Street Lighting requesting that the city initiate a study of street lighting options along Hollywood Boulevard.

V. Marketing

- A party for property owners and other stakeholders was held on Groundhog Day -- February 2 -- at the Egyptian Theatre to celebrate the expansion of the HED. A Hollywood groundhog appeared and predicted the future of Hollywood. Mayor Richard Riordan was on hand, and the event received significant news coverage on all local television stations.
- ERA began research to document 1998 benchmarks for the Phase I BID and began to gather data to establish first-year benchmarks for the Phase II BID. Their report should be ready in June.
- Given the presence of a new marketing consultant, media attention toward the BID increased considerably. During this quarter, articles about or mentioning the BID appeared in Los Angeles magazine, L.A. Business Journal, Los Angeles Times Sunday magazine, Hemispheres magazine, Los Angeles Times Westside Weekly, Nation's Restaurant News, La Opinion and the Hollywood Independent.
- A meeting was held for HED area attractions, restaurants and other tourist venues with Guest Informant. An opportunity was outlined for coop advertising in the Guest Informant soft-cover "Quick Guide" that is distributed at hotels and tourist areas throughout the Los Angeles area.
- A "needs and wants" fax brief was established and sent out to interested property owners.
- Research was initiated into the possibility of dedicating/controlling pole banners within the District that feature the HED logo.

VI. Other

• The Board authorized the executive director to sign a contract with Robert A.M. Stern Architects, at the request of Councilmember Jackie Goldberg's office, to proceed with the architect selection and related logistics associated with the planned Hollywood Boulevard Design Charrette. The HED is providing the service of holding the funds that have been collected by private developers, and will pay bills. The Charrette will be coordinated by the council office.